GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

STARRED QUESTION NO:313
ANSWERED ON:16.03.2000
PRIVATISATION OF INDIAN AIRLINES
RAGHUNATH JHA

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government have taken a decision to privatise the Indian Airlines;

(b) if so, the details thereof; and

(c) the benefits likely to be accrued to the Government as a result thereof?

Answer

- - - - - - THE MINISTER OF CIVIL AVIATION
(SHRI SHARAD YADAV) .....
(a)and (b): Yes, Sir. Government has decided to disinvest 51% of equity out of which 26% would be given to a strategic partner who would be given free hand in the management under the supervision of Board of Directors. Remaining 25% of equity would be offered to the employees, financial institutions and public.
(c): The disinvestment of Indian Airlines is expected to result in improved air-services, efficeincy and financial performance.